



Transaction Privilege Tax Changes and News

This publication is an informational notice included with the April 2006 Transaction Privilege Tax Return.

TOWN OF STAR VALLEY

Formerly Diamond Star

Effective April 1, 2006: On March 14, 2006 the citizens of Diamond Star approved the Town's name change to **Star Valley**.

The following reporting codes have been set up for Star Valley:

Privilege Tax	SY 000	2.00%
Metalliferous Mining	SY 005	0.10%

The Town of Star Valley taxes the following classifications:

Advertising; Amusements; Construction Contracting; Construction Contractors, Speculative Builders, and Owner Builders who are not speculative builders; Job Printing; Manufactured Buildings; Timbering and other extraction; Mining; Publishing; Hotels; Rental of real property; Rental of Tangible personal property; Restaurants and Bars; Retail; Telecommunications; Transporting for hire; and Utilities.

TOWN OF WICKENBURG

Effective June 1st, 2006: On March 20th, 2006 the Mayor and Town Council of the Town of Wickenburg passed ordinance number 910. Ordinance 910 establishes an **Additional Tax on Transient Lodging of 3.5%**. The Additional Tax on Transient Lodging shall be reported using **Code WB003**. The total Town rate for transient lodging is **5.2%, 1.7%** which is reported using code **WB000** and **3.5%** which is reported using code **WB003**.

Ordinance 910 also increases the Wickenburg Town Privilege Tax on Restaurants and Bars from **1.7% to 5.2%**. The tax on Restaurant and Bars shall be reported using **WB011**.

911 WIRELESS AND WIRELINE RATE REDUCTION

Effective July 1, 2006: The Arizona State Legislature approved a decrease to the 911 Wireless Telecommunications tax (class 036) and the 911 Wireline Telecommunications tax (class 131) pursuant to A.R.S. §42-5252. The new monthly rate will be 28¢ per activated wireless and wireline service. For more information, check our web site (www.azdor.gov).

SANTA CRUZ COUNTY JAIL TAX

Effective July, 1, 2006: On November 8, 2005 voters approved the levy of a Santa Cruz County Jail Tax. The Jail Tax is to be applied at 10% of the Transaction Privilege Tax rate levied by the State of Arizona, (0.5% or .005 for most business classifications), as stated in A.R.S. §48-4022. The total combined rate for most transactions will be 6.6%.

[For prime contractors reporting under Class 15 *only*, prime contracting contracts entered into prior to the November 8 election may not be subject to the increase in the tax rate under specific conditions approved by the department. For more information, contact the department's Taxpayer Information & Assistance Section at (602) 255-2060 or (800) 843-7196, or check our web site (www.azdor.gov)]

AVOID DELAYS IN THE PROCESSING OF YOU BUSINESS TAX RETURN OR PAYMENT BY FOLLOWING THESE SIMPLE STEPS

1. Never submit a payment or return without an identifier (TPT license number or federal EIN for employer withholding) or registering with the state. That way, you avoid unnecessary letters from the agency and the risk of not being credited for a payment or return.
2. Although Arizona uses the EIN as the identifier for withholding accounts, employers must register with the Arizona Department of Revenue for employer withholding. To apply on-line for an EIN, go to IRS.gov. Then go to AZTaxes.gov to register with Arizona. If rushed for time, feel free to submit the signature document (the final step in licensing online) or paper application by mail with your return.
3. EINs are required for all employers for employer withholding. In addition, all businesses, other than a sole proprietor, must obtain a federal EIN prior to registering with the state.
4. The easiest way to file and pay is by using AZTaxes.gov. Go to the website and enroll to use the site, and then submit your signature document. After completing the enrollment, you have online access to all account information, in addition to e-filing on AZTaxes!
5. For Transaction Privilege and Use tax, avoid the most common mistakes – using the wrong form or entering the wrong period (month or quarter),
 - Check to make sure the form you are submitting is a *current* DOR form (*Current forms are always available on AZDOR.gov*).
 - Verify the Period Beginning and Period Ending dates are correct.
 - Verify the State License Number is correct.
 - Verify the amounts you entered are for the correct period to cover the reporting period.
 - Check your math.
 - Make sure to use the correct mailing address for submitting your return or payment.
6. Withholding tax guidelines are the same as TPT. Avoid the most common mistakes, which also include entering the wrong quarter or year on returns or payments and neglecting to provide the federal EIN:
 - Verify the Quarter and Year is correct.
 - Make sure that the amounts you are reporting are for the correct period.
 - Always use your federal EIN and check to make sure it is accurate on the form.



Small Business Owners Get "Connected"

***File Your Taxes
Pay Your Taxes
Manage Your Account***

www.aztaxes.gov